

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 01-01	2. STATE Louisiana
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE February 1, 2001	

5. TYPE OF PLAN MATERIAL (Check One):
 NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.297	7. FEDERAL BUDGET IMPACT: a. FFY <u>2001</u> \$ 44,000.00 b. FFY <u>2002</u> \$ -0
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Item 1, Page 10 REPLACE PER STATE'S LETTER DATED 04-26-01 <i>SEE ATTACHED</i>	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Same (TN 00-49) pending Same (TN 00-49) pending Same (TN 97-01) pending REPLACE PER STATE'S LETTER DATED 04-26-01 <i>SEE ATTACHED</i>

10. SUBJECT OF AMENDMENT: ~~The purpose of this amendment is to modify DSH reimbursement by establishing an additional DSH hospital group for state fiscal year 2001 only. This group includes large public non-state hospitals which are not recognized as small rural hospitals.~~
DELETE PER STATE'S LETTER DATED 04-26-01 SEE ATTACHED

11. GOVERNOR'S REVIEW (Check One):
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: **The Governor does not review state plan material.**
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: State of Louisiana Department of Health and Hospitals 1201 Capitol Access Road PO Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME: David W. Hood	
14. TITLE: Secretary	
15. DATE SUBMITTED: March 27, 2001	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 29 March, 2001	18. DATE APPROVED: JUNE 6, 2001
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PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: FEBRUARY 1, 2001	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME: <i>for</i> CALVIN G. CLINE	22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR DIV OF MEDICAID AND STATE OPERATIONS

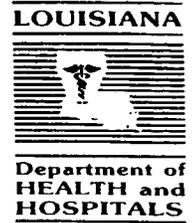
23. REMARKS:
Pay & int= changes to plan pages per 5/10/01 conference call.

OFFICIAL FILE COPY



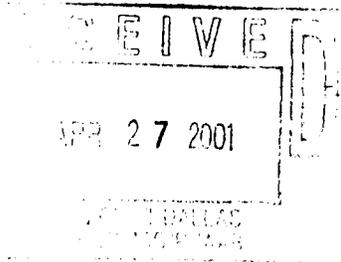
STATE OF LOUISIANA
DEPARTMENT OF HEALTH AND HOSPITALS

April 26, 2001



David W. Hood
SECRETARY

Mr. Calvin G. Cline
Associate Regional Administrator
Division of Medicaid and State Operations
DHHS/Health Care Financing Administration
1301 Young Street, Room #827
Dallas, Texas 75202



Re: Louisiana Title XIX State Plan
Transmittal No. 01-01

Dear Mr. Cline:

Please refer to our proposed amendment to the Medicaid State Plan submitted under TN 01-01. This amendment modifies the reimbursement methodology for disproportionate share payments to establish an additional DSH hospital group. We have re-formatted the state plan pages to flow through the formatting and language of prior disproportionate share transmittals, and are submitting the attached pages to replace all the pages originally submitted. In addition, we have made corrections to the submitted pages to indicate that the addition of this group of hospitals is permanent rather than temporary.

Please remove the following phrase from block 10: "for state fiscal year 2001 only". Also, please make pen and ink corrections to the HCFA 179, blocks 8 and 9 as follows:

Block 8	Block 9
10d	same (TN 00-49)
10k(1)	same (TN 99-13)
10k(2)	same (TN 00-49)
10k(3)	same (TN 00-49)

Thank you for your assistance.

Sincerely,

Ben A Bearden
Director

Attachments

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES
METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

OR

(iii) Effective November 3, 1997 hospitals meeting the definition of small rural hospital as defined in 3.b. below.

OR

(iv) Effective October 21, 2000 hospitals meeting the definition of small public non-state hospitals as defined in 3.c. below.

OR

(iv) Effective February 1, 2001 hospitals meeting the definition of public non-state hospitals as defined in 3.d. below.

AND

e. In addition to the qualification criteria outlined in Item I.D.1.a.-d. above, effective July 1, 1994, the qualifying disproportionate share hospital must also have a Medicaid inpatient utilization rate of at least one percent (1%).

2. General Provisions for Disproportionate Share Payments

a. Disproportionate share payments cumulative for all DSH payments under all DSH payment methodologies shall not exceed the federal disproportionate share state allotment for each federal fiscal year or the state appropriation for disproportionate share payments for each state fiscal year. The Department shall make necessary downward adjustments to hospitals' disproportionate share payments to remain within the federal disproportionate share allotment or the state disproportionate share appropriated amount.

The state will allocate the reduction between state and non-state hospitals based on the pro rata share of the amount appropriated for state hospitals and non-state hospitals multiplied by the amount of disproportionate share payments that exceed the federal disproportionate share allotment.

The reduction will be allocated between the non-state hospital groups based on the pro rata share of each group's payments divided by the sum of payments for all groups.

Methodologies for hospitals within groups are found as follows:

STATE	LOUISIANA
DATE RECD	3-29-01
DATE APPLD	6-6-01
DATE EFF	2-1-01
HCFA 179	TN 01-01

TN# _____
Supersedes
TN# _____

Approval Date _____ Effective Date _____

SUBJECT: TN - 00-49

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES
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d. Public Non-State Hospitals

- 1) A public non-state hospital is defined as any hospital (including hospitals with distinct part psychiatric units, long term care hospitals, rehabilitation, and free standing psychiatric hospitals) that is owned by a parish, city or other local government agency or instrumentality; and meets the qualifying criteria for disproportionate share hospital in I.D.1 but is not included in I.D.3.a., or I.D.3.b. Hospitals may qualify for DSH payment under both D.3.c. and D.3.d., the total DSH payment amount not to exceed the hospital-specific uncompensated cost limit for the current state fiscal year.
- 2) DSH payments to public non-state hospital are prospective, and paid once per year for the federal fiscal year. Payment is equal to each qualifying hospital's pro rata share of uncompensated cost as defined in I.D.2.e. for the hospital's fiscal year end cost report period ending during the previous state fiscal year for all hospitals meeting these criteria multiplied by the state appropriation for disproportionate share payments allocated for this group of hospitals. If the cost reporting period is not a full period (twelve months), actual uncompensated cost data for the previous cost reporting period may be used on a pro rata basis to equate to a full year.
- 3) A pro rata share decrease necessitated by the conditions specified in 2.a. above for large public non-state hospitals described in this section will be calculated using the ratio determined by dividing the qualifying public non-state hospital's uncompensated costs by the uncompensated costs for all public non-state hospitals in this section, then multiplying by the amount of disproportionate share payments calculated in excess of the federal DSH allotment or the state DSH appropriated amount.

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HOFA 179	<u>TN 01-01</u>
A	

TN# _____

Approval Date _____

Effective Date _____

Supersedes

TN# _____

SUPERSEDES: TN - 99-13

STATE OF LOUISIANA

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e. All Other Hospitals (Private Rural Hospitals Over 60 Beds, Private Urban Hospitals, Private Free-Standing Psychiatric Hospitals, Private Rehabilitation Hospitals and Private Long-Term Care Hospitals)

1) Criteria for hospitals to be included in this group are as follows:

- a) Private rural hospitals over 60 beds - privately owned acute care general, rehabilitation, and long term care hospitals including distinct part psychiatric units having more than 60 beds that are not located in a Metropolitan Statistical Area as defined per the 1990 census. This excludes any reclassification for Medicare.
- b) Private urban hospitals - privately owned acute care general, rehabilitation, and long term care hospitals including distinct part psychiatric units that are located in a Metropolitan Statistical Area as defined per the 1990 census. This excludes any reclassification under Medicare.
- c) Private free-standing psychiatric hospitals - privately owned psychiatric hospitals of any size.
- d) Private rehabilitation hospitals and private long-term care hospitals - privately owned hospitals which meet Medicare specialty designation as these types of hospitals.

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TN# _____

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SUPERSEDES: TN# 00-49

STATE OF LOUISIANA

PAYMENT FOR MEDICAL AND REMEDIAL CARE AND SERVICES

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - INPATIENT HOSPITAL CARE

- 2) Annualization of days for the purposes of the Medicaid days pools is not permitted. Payment is based on actual paid Medicaid inpatient days for a six month period ending on the last day of the latest month at least 30 days preceding the date of payment which will be obtained by DHH from a report of paid Medicaid days by service date.
- 3) Payment is based on Medicaid days provided by hospitals in the following three pools:
 - a) Teaching Acute Care Hospitals - acute care hospitals (exclusive of distinct part psychiatric units) not included in 3.a., 3.b., 3.c., or 3.d. above which are recognized under the Medicare principles of reimbursement as approved teaching hospitals. Rehabilitation, long term care, and freestanding psychiatric hospitals are always classified as such, and therefore not at any time classified as teaching hospitals, even if they have a GME program.
 - b) Acute Care Hospital - acute care, rehabilitation, and long term care hospitals not described in I.D.3.a., I.D.3.b., I.D.3. c., or I.D.3.d. above (excluding distinct part psychiatric units) are qualified for this designation.
 - c) Psychiatric Hospital - Freestanding psychiatric hospitals and *hospitals with* distinct part psychiatric units not included in I.D.3.a., I.D.3.b., I.D.3.c., or I.D.3.d. above are qualified for this designation.

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HCFA 179	TW 01-01
A	

SUPersedes: TN - 00-49

TN# _____ Approval Date _____ Effective Date _____
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 TN# _____